

UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW JERSEY

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Committee of Unsecured Creditors of  
Shapes/Arch Holdings L.L.C., et al.

In re:

**SHAPES/ARCH HOLDINGS L.L.C., et al.,**  
Debtors.

Chapter 11

Case No. 08-14631  
(Jointly Administered)

Judge: Hon. Gloria M. Burns, USBJ

**APPLICATION FOR AN ORDER APPROVING THE EMPLOYMENT AND  
RETENTION OF J.H. COHN LLP AS FINANCIAL ADVISOR AND FORENSIC  
ACCOUNTANT TO THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS  
PURSUANT TO 11 U.S.C. §§ 328(a) AND 1103(b)**

TO: HONORABLE GLORIA M. BURNS  
UNITED STATES BANKRUPTCY JUDGE

The Official Committee of Unsecured Creditors (the “Committee”) of Shapes/Arch Holdings L.L.C., et al. (the “Debtors”) as and for its application for entry of an Order approving the retention of J.H. Cohn LLP (“JHC”) as the Committee’s financial advisor and forensic accountant pursuant to 11 U.S.C. §§ 328(a) and 1103(b), respectfully states as follows:

1. On March 16, 2008, (the “Filing Date”), Shapes/Arch Holdings L.L.C. and its affiliated entities<sup>1</sup> each filed a voluntary petition for relief pursuant to Chapter 11 of Title 11, United States Code (the “Bankruptcy Code”). Since the Filing Date, the Debtors have remained in possession of their assets and continued in management of their businesses as debtors-in-possession pursuant to Section 1107 and 1108 of the Bankruptcy Code.

2. On March 31, 2008, the Office of the United States Trustee formally appointed the Committee. The Committee consists of the following members: (a) Alcan Aluminum Corp.; (b) Rusal America Corp.; (c) United Parcel Service; (d) Perfect Trade Development Co.; (e) Coil Plus; (f) Acme Corrugated Box; (g) Glencore Ltd.; (h) Colorworks Graphics, Inc.; and (i) PSE&G. The Committee elected Alcan Aluminum Corp. and of Rusal America Corp. as Co-Chairs.

3. At the March 31, 2008 meeting, the Committee voted to retain JHC as its financial advisor and forensic accountant in this matter to perform the following services:

- a) Review reasonableness of the DIP facilities as to its cost to the Debtors and the likelihood that Debtors will be able to comply with the terms.
- b) Review the DIP facilities as to whether they provide sufficient liquidity.
- c) Analyze and review key motions as to financial issues.
- d) Gain an understanding of Debtors’ corporate structure, including non-debtor entities.

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<sup>1</sup> Shapes L.L.C., Delair L.L.C., Acu-Weld L.L.C. and Ultra L.L.C.

- e) Perform a preliminary assessment of the Debtors' 13-week budget.
- f) Establish reporting procedures that will allow for the monitoring of the Debtors' post-petition operations.
- g) Develop and evaluate alternative sale and restructuring strategies.
- h) Gain an understanding of Debtors' accounting systems.
- i) Scrutinize proposed transactions, including the assumption and/or rejection of executory contracts.
- j) Review the reasonableness and necessity of any proposed key employee retention plan.
- k) Identify, analyze and investigate transactions with non-debtor entities and other related parties.
- l) Monitor Debtors' weekly operating results, availability and borrowing base certificates, if applicable.
- m) Participate in the establishment and monitoring of any proposed sales process and supplement list of potential buyers.
- n) Communicate findings to the Committee.
- o) Identify and quantify any recoverable assets which are not in the Debtors' estates.
- p) Assist the Committee in negotiating the key terms of a Plan of Reorganization.
- q) Review the nature and origin of other significant claims asserted against the Debtors.
- r) Prepare dividend analysis.
- s) Validate the Debtors' business plan projections and liquidation analysis.
- t) Render such other assistance as the Committee and its counsel may deem necessary.

4. The Committee has selected JHC because of the firm's considerable experience in insolvency and forensic accounting, in the manufacturing and distribution industry, as well as in other areas applicable to this Chapter 11 proceeding. The services to be rendered by JHC are necessary and essential to the performance of the Committee's duties and obligations, and will not duplicate the services to be rendered by any other professionals in this case.

5. As evidenced by the accompanying Affidavit of Bernard A. Katz, JHC does not hold or represent any interest adverse to the Debtors, their estates or creditors, and is a disinterested person within the meaning of Section 101(14) of the Bankruptcy Code.

6. It is the Committee's understanding that JHC will be submitting detailed statements to the Court setting forth the services rendered and seeking compensation and reimbursement of expenses. The Committee also understands that JHC will be applying to the Court for authority to be paid its fees and expenses pursuant to its obligation under the Bankruptcy Code or any administrative fee procedure which may be established, to which the Committee consents.

7. Because of a number of emergent matters pending with the Court in this case, the Committee requested that JHC immediately begin work on the scope items outlined above. It is therefore respectfully requested that JHC's retention be approved effective as of March 31, 2008.

**WHEREFORE**, the Committee respectfully requests that the Court enter an Order approving the Committee's retention of J.H. Cohn LLP, effective as of March 31, 2008, as its financial advisor and forensic accountant and granting such other relief as the Court deems just and appropriate under the circumstances.

Dated: April 3, 2008

THE OFFICIAL COMMITTEE OF UNSECURED  
CREDITORS OF SHAPES/ARCH HOLDINGS,  
L.L.C., *et al.*, by its Co-Chairs

RUSAL AMERICA CORP.

By: */s/ Richard Kellner*  
Name: Richard Kellner  
Title: COO

And

ALCAN ALUMINUM CORP.

By: */s/Brian Bull*  
Name: Brian Bull  
Title: Credit Manager